

**at&t****Alascom****Interstate Dedicated Private Line Service**

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
 Account Number: 8002-765-8315  
 Invoice Number: 8946444454 ORIGINAL  
 Invoice Date: 03-01-11

**JUST FOR YOUR BUSINESS**

AT&T will charge a \$25 fee for any check returned for insufficient funds, applied to your next invoice. AT&T values your business and thanks you for your cooperation in this matter.

\*\*\*\*\*

From time to time, AT&T may change the names of services, Service Capabilities, or Service Components, or other terminology. The old terminology may remain in use for some time after such changes (such as in contract documents and billing records). For example, your customer bill and other customer documents may refer to Private Line Service (PLS) as Accunet, and may refer to DS0 service as Accunet Spectrum of Digital Services (ASDS) or Single Channel Service. Should you have any questions about the service name appearing on your bill, please refer to the 'Table of Changed Terminology' located in the AT&T Service Guides and applicable state tariffs.

**REGULATORY NEWS**

Your telecommunications services are provided by one or more of the following AT&T Corp. subsidiaries based on the type of service provided, and the location at which it is provided: AT&T Communications of (State), and or TCG (State). To view service publications go to [att.com/servicepublications](http://att.com/servicepublications) and click on the Service Guide and or Tariff.

\*\*\*\*\*

Bill Period is the monthly period that the customer's bill processing started and ended. The Usage is usually billed within the current Bill Period and Monthly Recurring Charges (MRCs) are billed one month in advance.

**For example:**

Invoice date April 1, Usage/Bill Period March 1 through March 31, MRCs April 1 through April 30  
 Invoice date April 11, Usage/Bill Period March 11 through April 10, MRCs April 11 through May 10  
 Invoice date April 19, Usage/Bill Period March 19 through April 18, MRCs April 19 through May 18.

\*\*\*\*\*

**Attention Valued AT&T Customers**

If your invoice includes any back-billed charges, you have the right to pay these charges in full with your regular bill, or to call AT&T to make reasonable payment arrangements. You may choose to pay the back-billed amount in monthly installments equal to the number of back-billed months. Please take note that you must pay the full amount of your phone bill each month, including installments to repay back billed - charges, in order to avoid possible disconnection and other charges and penalties. If you are interested in using this payment method for any back-billed amount, please call AT&T on the toll-free number located on your bill.

\*\*\*\*\*

If your business makes outbound telephone solicitations, you must comply with federal do-no-call laws and regulations (47 C.F.R.64.1200, and 16 C.F.R.310) and any applicable state laws.

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**at&t** Alascom

Interstate Dedicated Private Line Service

**Customer Messages**

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PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

**REGULATORY NEWS**

(continued)

Federal regulation requires AT&T to inform our valued customers that basic local services will not be disconnected for the non-payment of your non-regulated service charges. To avoid collection activity, please remember to pay all charges by the due date.

In addition, you may experience disconnection of your basic local service if payment is not received for the Long Distance portion of your bill except in the states: Alabama, Arizona, Colorado, Hawaii, Idaho, Indiana, Iowa, Maryland, Michigan, Minnesota, Missouri, New Mexico, New York, New Jersey, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Texas, Utah, Vermont, Virginia, Washington and the District of Columbia.

\*\*\*\*\*

AT&T Calling Card is a US-based telecommunications service provided by AT&T Corp. Worldwide access is provided on a bilateral basis in cooperation with AT&T's correspondent carriers in non-US jurisdictions, and in accordance with the Regulations of the International Telecommunications Union, as applicable.

\*\*\*\*\*

**DO NOT CALL**

If your business makes outbound telephone solicitations, you must comply with federal do-not-call laws and regulations (47 C.F.R. 64.1200 and 16 C.F.R. 310) and any applicable state laws.

\*\*\*\*\*

**\*\*\*\*Important News About Your Account\*\*\*\***

You are requested to provide in writing to AT&T, within six months of the date of this bill, any dispute with respect to the charges on this bill, unless a different notification period applies under your contract, State Tariff and/or Service Guide.

You can reach AT&T either by using the toll free number on your bill, or in writing at the address listed at the top of the first page of your invoice.

[http://serviceguide.att.com/service/library/business/ext/state\\_tariff\\_buss.cfm](http://serviceguide.att.com/service/library/business/ext/state_tariff_buss.cfm)

\*\*\*\*\*

If you receive service pursuant to a signed contract or other term agreement with AT&T and it is currently in effect, its terms will govern the provision of your AT&T service.

AT&T's standard contract for detariffed services not covered by a signed contract or term agreement, including expired contracts or term plans that are not renewed, can be found at: [att.com/agreement](http://att.com/agreement). Important limits of liability apply, including: AT&T is not liable for indirect or consequential damages (such as your lost profits or other economic loss), and direct damages during any 12 months cannot exceed one month of your payments for affected service(s).

Additional terms, conditions, charges and price change information for all detariffed business services can be viewed at <http://www.att.com/serviceguide/business>. If you do not have access to the Internet, please contact your AT&T Sales Representative or Customer Care Center for information.

End of Messages

Thank you for choosing AT&T, we appreciate your business

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Interstate Dedicated Private Line Service

**Payments, Other Charges and Adjustments**

Page Number: 4

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 894644454 ORIGINAL  
Invoice Date: 03-01-11

Payment Date	Payment Description	Payment Method	Amount
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**Payments**

01-31-11	PAYMENT RECEIVED	0000765092	\$396.60 <sub>R</sub>
Total Payments Applied:			\$396.60 <sub>R</sub>





**at&t****Alascom**

Interstate Dedicated Private Line Service

**SUMMARY OF INVOICE CHARGES**

Page Number: 5

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
 Account Number: 8002-765-6315  
 Invoice Number: 8946444454 ORIGINAL  
 Invoice Date: 03-01-11  
 For billing inquiries: 1-800-764-8592

Description	Monthly Charges	Prorated Charges/Credits	One-Time Charges/Credits	Taxes and Surcharges	Total
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**Circuit Charges****REGULATORY/OTHER CHARGES**

ADMINISTRATIVE EXPENSE FEE-DCS #	\$0.00	\$0.00	\$158.48	\$5.90	\$164.38
FEDERAL REGULATORY FEE-DCS #	\$0.00	\$0.00	\$385.44	\$14.42	\$399.86
PROPERTY TAX ALLOTMENT-DCS #	\$0.00	\$0.00	\$489.88	\$18.36	\$508.24
UNIVERSAL CONNECTIVITY-DCS #	\$0.00	\$0.00	\$2,951.88	\$84.60	\$3,036.48

**ACCUNET® T1.5 MBPS SERVICE**

DHEC 744587 ALS Promotional Savings: Net Charge:	\$9,085.20 \$80.00 <sub>C<sub>R</sub></sub> \$9,005.20	\$0.00 \$0.00 \$0.00	\$0.00 \$0.00 \$0.00	\$79.52	\$9,084.72
DHEC 745718 ALS Promotional Savings: Net Charge:	\$9,085.20 \$80.00 <sub>C<sub>R</sub></sub> \$9,005.20	\$0.00 \$0.00 \$0.00	\$0.00 \$0.00 \$0.00	\$79.52	\$9,084.72
<b>Total Circuit Charges:</b>	<b>\$18,010.40</b>	<b>\$0.00</b>	<b>\$3,985.68</b>	<b>\$282.32</b>	<b>\$22,278.40</b>
<b>Total This Account:</b>	<b>\$21,986.08</b>			<b>\$282.32</b>	<b>\$22,278.40</b>

Description	Total Promotional Savings	Total Discount Plan Savings	Total Interruptions	Total Service Assurance Warranty
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**Account Totals Reflect the Following**

ACCUNET® T1.5 MBPS SERVICE	\$160.00 <sub>C<sub>R</sub></sub>	\$0.00	\$0.00	\$0.00
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Interstate Dedicated Private Line Service

**ACTIVITY SUMMARY**

Page Number: 6

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Description	Monthly Charges	Prorated Charges/Credits	One-Time Charges/Credits	Taxes and Surcharges
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**Circuit Charges**

Monthly, Prorated, and One-Time Charges/Credits for 03-01-11 thru 03-31-11

ADMINISTRATIVE EXPENSE FEE-DCS			\$158.48	\$5.90
FEDERAL REGULATORY FEE-DCS			\$385.44	\$14.42
PROPERTY TAX ALLOTMENT-DCS			\$489.88	\$18.36
UNIVERSAL CONNECTIVITY-DCS			\$2,951.88	\$84.60
Total Circuit Charges:	\$0.00	\$0.00	\$3,985.68	\$123.28
Total This Account:	\$0.00	\$0.00	\$3,985.68	\$123.28
Total Activity Charges, Taxes and Surcharges:	\$4,108.96			



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Interstate Dedicated Private Line Service

**ACTIVITY REPORT**

Page Number: 7

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Item No.	Description of Change	Monthly Charges	Prorated Charges	One-Time Charges
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**REGULATORY/OTHER CHARGES**  
**ADMINISTRATIVE EXPENSE FEE**

Circuit Number: ADMINISTRATIVE EXPENSE FEE-DCS

1	ADMINISTRATIVE EXPENSE FEE-DCS Adjustment			\$158.48
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Total This Activity:

\$0.00

\$158.48

Total This Circuit:

\$0.00

\$158.48

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Interstate Dedicated Private Line Service

**ACTIVITY REPORT**

Page Number: 8

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Item No.	Description of Change	Monthly Charges	Prorated Charges	One-Time Charges
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**REGULATORY/OTHER CHARGES**  
**FEDERAL REGULATORY FEE**Circuit Number: **FEDERAL REGULATORY FEE-DCS**

2	FEDERAL REGULATORY FEE-DCS Adjustment			\$385.44
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Total This Activity:

\$0.00

\$385.44

Total This Circuit:

\$0.00

\$385.44

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Interstate Dedicated Private Line Service

**ACTIVITY REPORT**

Page Number: 9

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Item No.	Description of Change	Monthly Charges	Prorated Charges	One-Time Charges
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**REGULATORY/OTHER CHARGES**  
**PROPERTY TAX ALLOTMENT**

Circuit Number: PROPERTY TAX ALLOTMENT-DCS

3	PROPERTY TAX ALLOTMENT-DCS Adjustment			\$489.88
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Total This Activity:

\$0.00

\$489.88

Total This Circuit:

\$0.00

\$489.88

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Interstate Dedicated Private Line Service

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Item No.	Description of Change	Monthly Charges	Prorated Charges	One-Time Charges
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**REGULATORY/OTHER CHARGES**  
**UNIVERSAL CONNECTIVITY**

Circuit Number: UNIVERSAL CONNECTIVITY-DCS

4	UNIVERSAL CONNECTIVITY CHARGE-DCS Adjustment			\$2,951.88
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Total This Activity:

\$0.00

\$2,951.88

Total This Circuit:

\$0.00

\$2,951.88

Total All Circuits:

\$0.00

\$3,986.68

Total This Account:

\$0.00

\$3,985.68

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Interstate Dedicated Private Line Service

**TAX REPORT**

Page Number: 11

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

Description	Federal Excise Taxes	State Taxes	County Taxes	Local Taxes	Other Taxes and Surcharges
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**Circuit Level Taxes**

DHEC 744587 ALS ALASKA			\$34.08	\$45.44	
DHEC 745718 ALS ALASKA			\$34.08	\$45.44	
ADMINISTRATIVE EXPENSE FEE-DCS ALASKA			\$2.52	\$3.38	
FEDERAL REGULATORY FEE-DCS ALASKA			\$6.18	\$8.24	
PROPERTY TAX ALLOTMENT-DCS ALASKA			\$7.86	\$10.50	
UNIVERSAL CONNECTIVITY-DCS ALASKA			\$36.24	\$48.36	
Subtotal:	\$0.00	\$0.00	\$120.96	\$161.36	\$0.00
Total This Account:	\$0.00	\$282.32			

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Interstate Dedicated Private Line Service

# BILLING DETAILS REPORT

Page Number: 12 Last

PROVIDENCE SEWARD HOSPITAL

Billing Number: MM SS3327 01 001  
Account Number: 8002-765-6315  
Invoice Number: 8946444454 ORIGINAL  
Invoice Date: 03-01-11

## Billing Details - Information Only

### PROMOTIONAL DISCOUNT SAVINGS REPORT FOR MONTH BEGINNING MARCH 01, 2011

CUSTOMER BILLING NUMBER  
MM SS3327 01 001

CIRCUIT IDENTIFIER	PROMO NUMBER	CKL/TRM OR IOC SECTION NUMBER	USOC	MONTHLY CHARGE	MONTHLY CHARGE DISCOUNT AMOUNT	MONTHLY CHARGE DISCOUNT PERCENT	SERVICE CHARGE	SERVICE CHARGE DISCOUNT AMOUNT	SERVICE CHARGE DISCOUNT PERCENT
DHEC744587 ALS	2000AK01	0002/ A	D41AC	\$20.00	\$20.00	100.00%			
DHEC744587 ALS	2000AK01	0001/ A	D41AC	\$20.00	\$20.00	100.00%			
DHEC744587 ALS	2000AK01	0002/ A	AHOAD	\$20.00	\$20.00	100.00%			
DHEC744587 ALS	2000AK01	0001/ A	AHOAD	\$20.00	\$20.00	100.00%			
SAVINGS THIS CIRCUIT								\$80.00	
DHEC745718 ALS	2000AK01	0002/ A	D41AC	\$20.00	\$20.00	100.00%			
DHEC745718 ALS	2000AK01	0001/ A	D41AC	\$20.00	\$20.00	100.00%			
DHEC745718 ALS	2000AK01	0002/ A	AHOAD	\$20.00	\$20.00	100.00%			
DHEC745718 ALS	2000AK01	0001/ A	AHOAD	\$20.00	\$20.00	100.00%			
SAVINGS THIS CIRCUIT								\$80.00	
TOTAL SAVINGS								\$160.00	

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## **Ex. 12**





30 Landex Plaza West  
P.O. Box 685  
Parsippany, NJ 07054-0685

Rural Health Care Division  
www.rhc.universalservice.org  
Phone: 1-800-229-5476

September 08, 2011

Maryann Freepartner  
Providence Seward Medical Center  
P.O. Box 365,  
Seward, AK 99664

**Re: Funding Commitment for Funding Year 2010, Packet ID# 102861**

Dear Maryann Freepartner:

The Rural Health Care division (RHC) of the Universal Service Administrative Company (USAC) has completed a review of your FCC Form 466 or 466-A requesting for support for telecommunications or Internet services.

Based on the information provided on your application(s), the RHC has determined that the rural HCP may receive the one time (non-recurring) and monthly recurring support amounts shown below for Funding Year 2010 (7/1/10 to 6/30/11). The estimated total support amount the RHC has reserved for your request is listed below.

**Service:** T1 or DS1 - 1544 Kbps  
**Billing Account Number:** 8002-765-6315

Type of Service Agreement	Eligible Support Start Date	Support End Date	Estimated Months of Support	Non-Recurring Support Amount	Monthly Recurring Support Amount	Estimated Total Support Amount	Funding Request Number
Contract	07/01/2010	06/30/2011	12	\$0.00	\$2,332.42	\$27,989.04	55323

We have sent this letter to both the rural Health Care Provider (HCP) mailing address above and the rural HCP physical location below (if these addresses are different).

**HCP Number:** 10382  
**HCP Contact Name:** Maryann Freepartner  
**HCP Name:** Providence Seward Medical Center  
**HCP Address:** 417 1st Ave.  
Seward, AK 99664

In addition, a copy of this letter has been sent to your service provider listed below.

**Service Provider Name:** Alascom, Inc. - DBA AT&T Alascom  
**Service Provider Identification Number (SPIN):** 143005617

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## Next Steps

It is important to save this letter. The next step in this process is to complete and submit an FCC Form 467. An electronic certification option is available through the RHC website, allowing you to submit the Form 467 online. See the "E-certification" section of the website for details. This will confirm your receipt of the services for which support has been approved, and the date on which the service provider began providing those services (if this funding commitment letter is for zero support, you need not complete a Form 467). You will need the Funding Request Number (FRN) in the table above to complete Form 467. Your completed Form 467 allows RHC to begin processing invoices from the service provider for your support. You should contact each service provider yourself to make any necessary arrangements regarding billing of supported services and any other administrative details relevant to your participation in this universal service program.

When filling out Form 467, take special care when completing Block 5, Item 12, which requires the Billing Account Number (BAN) of the organization eligible to receive the "universal service support credit." The BAN is an account code used by service providers to track charges and credits for customers and is listed on the bill for the supported service. The RHC recommends that HCPs verify the BAN with their service provider.

The Billing Account Number in Item 12 must belong to the entity that is actually billed for the supported service. If the service used by the rural HCP is billed to another organization, such as the "parent" entity in a telemedicine consortium or network, verify the BAN with that organization. FCC rules specifically state that the benefits of this program are only available to eligible rural HCPs. Therefore, although the service may be billed to another organization, the benefits of the support must clearly flow to the eligible rural HCP.

The Form 467 should be signed by the HCP employee responsible for procuring or maintaining the requested services for the HCP. The signer of Form 467 is certifying that the eligible HCP has or will receive the benefit of the universal service support.

The BAN, certifications, and all other information provided on FCC Forms 465, 466, 466A, and 467 may be subject to audit by the RHC and the FCC. The RHC must be immediately notified if the supported services are not being conveyed to the eligible HCP, or the eligible HCP is not otherwise receiving the benefit of this federal universal service support. HCPs that are approved for support are reminded that it, and any entity that filed an application on its behalf, continue to be subject to audits and other reviews that the RHC and/or the FCC may undertake to ensure that the universal service support is being used in compliance with FCC program rules. If the RHC discovers that supported services are not being used in compliance with program rules, applicants will be subject to enforcement activities and other means of recourse by the RHC and other appropriate federal, state, and local authorities.

**To help you understand the information provided in this letter, the following definitions are provided:**

- **Service:** The type of service ordered from the service provider as shown on Form 466 or 466-A.
- **Type of Service Agreement:** This reflects RHC's determination of whether the applicant is eligible for support based on a contract or a month-to-month service. For contract service, RHC must have reviewed the relevant document(s) and determined that they meet RHC contract criteria (written document signed by both parties with a valid contract award date and sufficient terms of service). Agreements that do not meet the standards for treatment as contracts are treated as month-to-month service, or if an HCP is eligible for month to month service support prior to the contract award date, it is treated as month-to-month service. In some circumstances, service under a pre-existing contract may be supportable before the 29th day that Form 465 was posted on the RHC website, but month-to-month service is never eligible for such pre-posting support. Questions about contract/month-to-month determination may be directed to the RHC Customer Service Support Center at 1-800-229-5476.
- **Eligible Support Start Date:** The first possible date on which the RHC will provide support for the requested service. Note: If the actual start date on Form 467 is different from the date on Form 466 or Form 466-A, the eligible start date will either be the date shown on Form 467 or the 29th day after Form 465 was posted on the RHC website, depending on which is later and the type of service agreement.



- **Support End Date:** The end date of Funding Year 2010 is June 30, 2011. This is also the last day support may be given to eligible rural HCPs for Funding Year 2010 of the program.
- **Estimated Months of Support:** The number of full and partial months, calculated from the Eligible Support Start Date to the Support End Date based upon information provided on Forms 466 or 466-A and supporting documentation.
- **Non-Recurring Support Amount:** The eligible one-time charges associated with the services ordered from the service provider. This amount is calculated from information provided on Forms 466 or 466-A and supporting documentation. It may be different from the amounts submitted by the HCP because of an adjustment determined to be appropriate under program rules.
- **Monthly Recurring Support Amount:** The eligible monthly recurring support that the HCP should receive on bills from the service provider on a monthly basis during Funding Year 2010. This amount is calculated from the information provided by the HCP on Form 466 or 466-A and supporting documentation. It may be different than the amounts submitted by the HCP because of an adjustment determined to be appropriate under program rules.
- **Estimated Total Support Amount:** The Monthly Recurring Support Amount multiplied by the Estimated Months of Support, plus the Non-Recurring Support Amount. The actual total support amount may differ from the amount shown above, depending upon when service actually started, as reported to RHC on Form 467.
- **Funding Request Number:** The number assigned by the RHC used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 466/466A.

#### Appeals

The RHC recognizes that you may disagree with our decision. If you wish to file an appeal, your appeal must be emailed or postmarked within 60 days of the date of this letter. Detailed instructions on filing an appeal may be found at: <http://www.usac.org/rhc/about/filing-appeals.aspx>.

#### Funding Years

The Funding Year application-filing window will always open well before the beginning of the funding year on July 1. Check the RHC website for dates and details. The FCC requires applicants to re-file each funding year to participate in the RHC program, and applicants must complete and have a Form 465 posted on the RHC website for 28 days before they may select a service provider and become eligible to receive support.

#### Questions

If you have any questions or need help, you may call the RHC Help Desk at 1-800-229-5476, Monday through Friday, 8am - 8pm, Eastern Time. Be sure to have your HCP Number available.

Sincerely,

**RHC - USAC**

cc: Alascom, Inc. - DBA AT&T Alascom, Providence Seward Medical Center



30 Lanidex Plaza West  
P.O. Box 685  
Parsippany, NJ 07054-0685

Rural Health Care Division  
www.rhc.universalservice.org  
Phone: 1-800-229-5476

September 08, 2011

Maryann Freepartner  
Providence Seward Medical Center  
P.O. Box 365,  
Seward, AK 99664

**Re: Funding Commitment for Funding Year 2010, Packet ID# 102862**

Dear Maryann Freepartner:

The Rural Health Care division (RHC) of the Universal Service Administrative Company (USAC) has completed a review of your FCC Form 466 or 466-A requesting for support for telecommunications or Internet services.

Based on the information provided on your application(s), the RHC has determined that the rural HCP may receive the one time (non-recurring) and monthly recurring support amounts shown below for Funding Year 2010 (7/1/10 to 6/30/11). The estimated total support amount the RHC has reserved for your request is listed below.

**Service:** T1 or DS1 - 1544 Kbps  
**Billing Account Number:** 8002-765-6315

Type of Service Agreement	Eligible Support Start Date	Support End Date	Estimated Months of Support	Non-Recurring Support Amount	Monthly Recurring Support Amount	Estimated Total Support Amount	Funding Request Number
Contract	07/01/2010	06/30/2011	12	\$0.00	\$2,332.42	\$27,989.04	55324

We have sent this letter to both the rural Health Care Provider (HCP) mailing address above and the rural HCP physical location below (if these addresses are different).

**HCP Number:** 10382  
**HCP Contact Name:** Maryann Freepartner  
**HCP Name:** Providence Seward Medical Center  
**HCP Address:** 417 1st Ave.  
Seward, AK 99664

In addition, a copy of this letter has been sent to your service provider listed below.

**Service Provider Name:** Alascom, Inc. - DBA AT&T Alascom  
**Service Provider Identification Number (SPIN):** 143005617

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## Next Steps

It is important to save this letter. The next step in this process is to complete and submit an FCC Form 467. An electronic certification option is available through the RHC website, allowing you to submit the Form 467 online. See the "E-certification" section of the website for details. This will confirm your receipt of the services for which support has been approved, and the date on which the service provider began providing those services (if this funding commitment letter is for zero support, you need not complete a Form 467). You will need the Funding Request Number (FRN) in the table above to complete Form 467. Your completed Form 467 allows RHC to begin processing invoices from the service provider for your support. You should contact each service provider yourself to make any necessary arrangements regarding billing of supported services and any other administrative details relevant to your participation in this universal service program.

When filling out Form 467, take special care when completing Block 5, Item 12, which requires the Billing Account Number (BAN) of the organization eligible to receive the "universal service support credit." The BAN is an account code used by service providers to track charges and credits for customers and is listed on the bill for the supported service. The RHC recommends that HCPs verify the BAN with their service provider.

The Billing Account Number in Item 12 must belong to the entity that is actually billed for the supported service. If the service used by the rural HCP is billed to another organization, such as the "parent" entity in a telemedicine consortium or network, verify the BAN with that organization. FCC rules specifically state that the benefits of this program are only available to eligible rural HCPs. Therefore, although the service may be billed to another organization, the benefits of the support must clearly flow to the eligible rural HCP.

The Form 467 should be signed by the HCP employee responsible for procuring or maintaining the requested services for the HCP. The signer of Form 467 is certifying that the eligible HCP has or will receive the benefit of the universal service support.

The BAN, certifications, and all other information provided on FCC Forms 465, 466, 466A, and 467 may be subject to audit by the RHC and the FCC. The RHC must be immediately notified if the supported services are not being conveyed to the eligible HCP, or the eligible HCP is not otherwise receiving the benefit of this federal universal service support. HCPs that are approved for support are reminded that it, and any entity that filed an application on its behalf, continue to be subject to audits and other reviews that the RHC and/or the FCC may undertake to ensure that the universal service support is being used in compliance with FCC program rules. If the RHC discovers that supported services are not being used in compliance with program rules, applicants will be subject to enforcement activities and other means of recourse by the RHC and other appropriate federal, state, and local authorities.

**To help you understand the information provided in this letter, the following definitions are provided:**

- **Service:** The type of service ordered from the service provider as shown on Form 466 or 466-A.
- **Type of Service Agreement:** This reflects RHC's determination of whether the applicant is eligible for support based on a contract or a month-to-month service. For contract service, RHC must have reviewed the relevant document(s) and determined that they meet RHC contract criteria (written document signed by both parties with a valid contract award date and sufficient terms of service). Agreements that do not meet the standards for treatment as contracts are treated as month-to-month service, or if an HCP is eligible for month to month service support prior to the contract award date, it is treated as month-to-month service. In some circumstances, service under a pre-existing contract may be supportable before the 29th day that Form 465 was posted on the RHC website, but month-to-month service is never eligible for such pre-posting support. Questions about contract/month-to-month determination may be directed to the RHC Customer Service Support Center at 1-800-229-5476.
- **Eligible Support Start Date:** The first possible date on which the RHC will provide support for the requested service. Note: If the actual start date on Form 467 is different from the date on Form 466 or Form 466-A, the eligible start date will either be the date shown on Form 467 or the 29th day after Form 465 was posted on the RHC website, depending on which is later and the type of service agreement.

- **Support End Date:** The end date of Funding Year 2010 is June 30, 2011. This is also the last day support may be given to eligible rural HCPs for Funding Year 2010 of the program.
- **Estimated Months of Support:** The number of full and partial months, calculated from the Eligible Support Start Date to the Support End Date based upon information provided on Forms 466 or 466-A and supporting documentation.
- **Non-Recurring Support Amount:** The eligible one-time charges associated with the services ordered from the service provider. This amount is calculated from information provided on Forms 466 or 466-A and supporting documentation. It may be different from the amounts submitted by the HCP because of an adjustment determined to be appropriate under program rules.
- **Monthly Recurring Support Amount:** The eligible monthly recurring support that the HCP should receive on bills from the service provider on a monthly basis during Funding Year 2010. This amount is calculated from the information provided by the HCP on Form 466 or 466-A and supporting documentation. It may be different than the amounts submitted by the HCP because of an adjustment determined to be appropriate under program rules.
- **Estimated Total Support Amount:** The Monthly Recurring Support Amount multiplied by the Estimated Months of Support, plus the Non-Recurring Support Amount. The actual total support amount may differ from the amount shown above, depending upon when service actually started, as reported to RHC on Form 467.
- **Funding Request Number:** The number assigned by the RHC used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 466/466A.

#### Appeals

The RHC recognizes that you may disagree with our decision. If you wish to file an appeal, your appeal must be emailed or postmarked within 60 days of the date of this letter. Detailed instructions on filing an appeal may be found at: <http://www.usac.org/rhc/about/filing-appeals.aspx>.

#### Funding Years

The Funding Year application-filing window will always open well before the beginning of the funding year on July 1. Check the RHC website for dates and details. The FCC requires applicants to re-file each funding year to participate in the RHC program, and applicants must complete and have a Form 465 posted on the RHC website for 28 days before they may select a service provider and become eligible to receive support.

#### Questions

If you have any questions or need help, you may call the RHC Help Desk at 1-800-229-5476, Monday through Friday, 8am - 8pm, Eastern Time. Be sure to have your HCP Number available.

Sincerely,

**RHC - USAC**

cc: Alascom, Inc. - DBA AT&T Alascom, Providence Seward Medical Center

## **Ex. 13**

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September 23, 2011

Via Federal Express

Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743  
(PHONE NO.: 888-225-5322)

Re: *In the Matter of Request for Review by Providence Seward Medical and Care Center* (also referred to in USAC's letter of July 27, 2011, as *Providence Seward Mountain Haven*) of Decision of Universal Services Administrator  
Docket No. 02-60  
HCP No. 10382  
Packet Nos. 91429 and 92084  
Our File No. 3085.01

Dear Sir/Madam:

This office represents Providence Seward Medical and Care Center in connection with this request for a further review/appeal of USAC's Administrator's Decision on Rural Health Care Program Appeal dated July 27, 2011, a copy of which is attached as Ex. 10. This request is made pursuant to 47 CFR §719(c). We are enclosing a copy of this submission as a courtesy copy or in the event that two copies are required.

FACTS

Providence Seward Medical and Care Center (PSMCC) is a rural health care provider in Seward, Alaska. Seward has a population of approximately 3,000 and is located in the southcentral region of Alaska, at the head of Resurrection Bay on the eastern shore of the Kenai Peninsula, a rugged largely wilderness area, with a significant mountain range running the length of the peninsula close to the eastern shore. See Ex. 2 – map of Alaska. Access to Seward is limited to small airplane, helicopter, boat, train, and by vehicle via one road that stretches 126 miles north to Anchorage, Alaska's largest city.

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PSMCC consists of a six-bed acute care facility and a 43-bed long term care facility. Its services include emergency, inpatient hospital care, laboratory, radiology, rehabilitation, respiratory therapy, family care clinic, home health care, and long term care.

The facility is owned by the city of Seward, and managed by Providence Health & Services. Providence Health and Services (PHS) is a not-for-profit network of hospitals, care centers, health plans, physicians, clinics, home health services, affiliated services and educational facilities that span five states, including Alaska. One of the PHS facilities is the Providence Alaska Medical Center (PAMC), which is located in Anchorage and is Alaska's largest hospital. As a PHS managed facility, PSMCC has access to many of PAMC's services, including the services of radiologists and pathologists who interpret the imaging and lab services that are provided at PSMCC, and the Electronic Medical Record (EMR) data center.

All of PSMCC telecommunication circuits (T-1) circuits connect back to PAMC and are used primarily for transmitting digital imaging (PACS, CT, X-ray), biomedical resources (drug libraries, instruction or information on pumps, etc.), facility operations, and Electronic Medical Records (EMR).

The use of and tie-in to PAMC's EMR plays an important role in the delivery of health care in the small rural community of Seward. It provides a single repository for all patient information and can be accessed across the continuum of care (e.g., PAMC, and physician offices). For the vast majority of heart attack, stroke, and traumatic injury patients on the eastern side of the Kenai Peninsula, PSMCC is the only place where they are stabilized and given initial treatment before being transferred to a tertiary care center, which is often PAMC. Electronic medical records facilitate the emergency room treatment and transfer of these patients and contribute to high quality emergency and trauma care equivalent to that available in Anchorage, Alaska's largest urban center.

For many years, PSMCC relied on two T-1 land circuits supplied by carrier GCI that traveled from Seward to Anchorage through the Chugach Mountain Range. These circuits traverse through several mountain passes that are subject to avalanches, high wind, and other adverse climatic conditions that have subjected the circuits to outages during winter months, which in Alaska are particularly lengthy and which have impacted patient care and safety at PSMCC. In addition, the single roadway connection between Seward and Anchorage is subject to being periodically closed for between several hours and several days several different times each winter due to avalanches that block the roadway.

This reality combined with stretches in the winter when small plane travel in and out of Seward becomes impossible as a result of prolonged adverse weather conditions results in periodic instances when seriously injured or seriously ill patients cannot be medivaced to Anchorage necessitating periodic interim intensive care at PSMCC, during which absolutely reliable communications can make the difference between life and death.

Over the past three years, PSMCC's reliance on PAMC and its staff of advanced practitioners for the operation of its clinic, emergency department, and radiology and lab services has grown significantly. This growth, along with implementation of the EMR database has increased the need for uninterrupted connectivity with PAMC.

In the spring of 2009, PSMCC explored available telecommunication options that could provide PSMCC's circuits with increased bandwidth, redundancy and diversity to maintain PSMCC's operations without interruption in connectivity. It was determined that the only option<sup>1</sup> available that could provide geographic and carrier diversity and redundancy was a submarine fiber optic circuit, already then in existence, that traverses from Seward to Kodiak Island and from Kodiak Island to Anchorage. See Ex. 3 – map of all cable circuitry in Alaska. AT&T submitted a proposal to provide PSMCC with two T-1 private line submarine fiber optic circuits at a custom fiber rate that was not a mileage based rate.

On July 31, 2009, PSMCC finance officer, Maryann Freepartner, submitted a Form 465 to USAC for the two additional T-lines to transmit data and medical images, including X-rays and CT-scans, view dictation and lab results, and to access EMR. The Form 465 was successfully posted to USAC's website. No competitive bids were subsequently received in response to the posting.

On August 28, 2009, PHS entered into an agreement with AT&T to provide PSMCC with two private line circuits at a custom fiber rate with a total monthly recurring charge of \$9,005.20 per line. See Ex. 4 – Pricing Schedule.

On November 3, 2009, the two T-1 circuits were installed.

Following installation of the circuits PSMCC Finance Officer Maryann Freepartner worked with AT&T in gathering the information necessary to submit Form 466s for the T-1 circuits.

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<sup>1</sup> Satellite service is not a viable option due to its high latency rate.

On February 22, 2010, Ms. Freepartner submitted the Form 466s for the two T-1 lines. Ex. 5. Since the pricing for the T-1 circuits was not distance based, funding was requested using the Comprehensive Rate Comparison method.

Following submission of the Form 466s, various email requests for additional information were received from USAC Reviewer Hazel Diaz. Ms. Freepartner, being new to her position as Finance Officer of PSMCC, worked with AT&T Representative Amy Merchant in obtaining the requested information which she in turn provided to USAC Reviewer Ms. Diaz.

Through a letter dated September 30, 2010, two hundred and twenty-five days after submission of the Form 466s, Ms. Freepartner received Funding Commitment Letters for the two circuits. These letters reflected funding amounts for the circuits at rates considerably reduced from what Ms. Freepartner had requested and anticipated based on the actual cost per line per month. See Ex. 6 - Funding Commitment Letters.

On October 12, 2010, in response to a request from Ms. Freepartner for an explanation of funding computation, Ms. Diaz sent an email to Ms. Freepartner explaining that funding was reduced based on information received from AT&T representative Andy Rabung<sup>2</sup> in response to a request from Ms. Diaz regarding mileage charges associated with the PHS contract. See Ex. 7 - 10/13/10 6:58 a.m. email from H. Diaz to Maryann Freepartner. In her email, Ms. Diaz explained that the rural rate was adjusted based on information obtained from Mr. Rabung that reflected total billed miles for the circuits at 475 miles, that the cost per mile for the circuits was \$17.62 per mile, and that USAC could only cover funding up to the Maximum Allowable Distance of 85 miles, which reduced the funding by \$6,871.80 per line (charges over the MAD).

On October 14, 2010, Ms. Freepartner provided Ms. Diaz with a letter from AT&T which stated that the circuit costs for the PSMCC circuits were not mileage based, but were calculated based on the contract.

On October 15, 2010, Ms. Diaz informed Ms. Freepartner that if she did not agree with the information provided in the funding commitment letters, she could follow up with a formal appeal.

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<sup>2</sup> Mr. Rabung had been recently assigned to cover the PSMCC account in the absence of Amy Merchant, the AT&T representative who had been working on the account from its inception.



On October 26, 2010, Ms. Freepartner submitted her letter of appeal to USAC's RHCD.

On June 13, 2011, after many, many requests for status updates and being informed that PSMCC's appeal was "under review" and a call to USAC's complaint line, Ms. Freepartner was able to speak with USAC Rural Health Care Program Manager Carol McCornac who informed Ms. Freepartner that USAC's reduction in funding based on miles exceeding the Maximum Allowable Distance had been correctly applied. Ms. McCornac informed Ms. Freepartner that PSMCC could continue to pursue the appeal, which would result in a formal Administrators Decision, or request its withdrawal. Ms. Freepartner subsequently requested a formal Administrator's Decision.

On July 1, 2011, in response to a request from Ms. McCornac, Ms. Freepartner sent Ms. McCornac an explanation of the basis for the need for the Anchorage-Kodiak-Seward route in lieu of an Anchorage-Seward route. See Ex. 9 - 7/1/11 11:07 a.m. email from Maryann Freepartner to Carol McCornac.

On July 27, 2011, two hundred seventy-four days after PSMCC filed its appeal, USAC issued its Administrator's Decision on Rural Health Care Program Appeal. Ex. 10. In its decision, USAC denied PSMCC's appeal based on the Maximum Allowable Distance limitation.

QUESTION PRESENTED FOR REVIEW: DID USAC CORRECTLY  
CALCULATE THE AMOUNT OF SUPPORT FOR PSMCC'S T-1 CIRCUITS?

I. USAC incorrectly applied a mileage-based charge

In its decision, USAC relies on vague communications between USAC's Ms. Diaz and AT&T's Andy Rabung converting the rate charge and the mileage involved into a cost per mile, which USAC in turn erroneously relies on in denying most of PSMCC's funding request. Mr. Rabung was not involved in the negotiations with PHS for the purchase of the T-1 lines, and at the time USAC sent AT&T the email requesting a breakdown of "billed circuit miles, monthly mileage based charges, and cost per mile" had only recently been assigned to cover the PSMCC account in the absence of AT&T Representative Amy Merchant, who was the person directly involved for AT&T in negotiations for the purchase of the T-1 lines service, their installation, and billing, and who had worked with Ms. Freepartner in filing the Form 466s. The information provided by Mr. Rabung was incorrect. The charge for the circuits was not a mileage-



based charge. In spite of being apprised of this fact, USAC made its funding determination based on a fictitious mileage-based charge.

- II. PSMCC is entitled to advanced telecommunication services at rates that are reasonably comparable to rates charged for similar services in urban areas.

The Universal Service program is administered under authority of 47 USC §254. 47 USC §254(b)(6) provides that the Joint Board and the Commission shall base policies for the preservation and advancement of universal service on the following principles:

(1) Quality and rates

Quality services should be available at just, reasonable, and affordable rates.

(2) Access to advanced services

Access to advanced telecommunications and information services should be provided in all regions of the Nation.

(3) Access in rural and high cost areas

Consumers in all regions of the Nation, including low-income and those in rural, insular and high cost areas, should have access to telecommunications and information services, including interexchange and advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.

....

(6) Access to advanced telecommunications services for schools, health care, and libraries

... health care providers ... should have access to advanced telecommunication services as described in subsection (h) of this section.